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Attorneys for Defendant

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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	:	
MALIK M. HASAN and SEEME G. HASAN,	:	
	:	ECF CASE
Plaintiffs,	:	
	:	08-CV-03189 (GBD)
- against -	:	
	:	
AMERICAN ARBITRATION ASSOCIATION,	:	
INC.,	:	
	:	
Defendant.	:	
-----	X	

**MEMORANDUM IN RESPONSE TO PLAINTIFFS’
MOTION FOR AN INJUNCTION PENDING APPEAL**

Defendant American Arbitration Association (“AAA”) respectfully submits this memorandum in response to the motion of plaintiffs Malik M. Hasan and Seeme G. Hasan (the “Hasans”) for an injunction “suspending” the pending underlying Arbitration between non-party Goldman Sachs 1998 Exchange Place Funds, LLP and other Goldman Sachs entities (“Goldman Sachs”) until the Second Circuit Court of Appeals determines the Hasans’ appeal of this Court’s Order and Judgment dismissing

the action and denying a preliminary injunction. As repeatedly confirmed in court filings leading to dismissal, AAA has no interest in the underlying Arbitration and should never have been made a party to this Action. The pending motion should be denied for the very grounds stated in AAA's motion to dismiss the Action, *to wit*: AAA is not a proper or necessary party to this lawsuit concerning the Hasans' dispute with Goldman Sachs, and any injunction concerning the underlying Arbitration should be directed to the actual parties to the Arbitration in a judicial proceeding between them. (See AAA's Memorandum In Support of Its Motion to Dismiss dated April 30, 2008 at Point I and AAA's Reply Memorandum dated May 21, 2008 at Point I.)

The Hasans' assertion that they are likely to prevail on appeal should carry no weight. The Hasans' appeal is lacking in merit whether viewed in light of (i) the Hasans' arbitration agreement with Goldman Sachs where the Hasans' covenanted not to bring this lawsuit against AAA, (ii) case law squarely holding that any judicial dispute concerning the Arbitration should be in a lawsuit between the parties to the Arbitration and not against AAA; (iii) the doctrine of arbitral immunity; or (iv) the prohibition against interlocutory judicial challenges to arbitrator qualifications. The Court's dismissal of the Action pursuant to Rule 12(b)(6) of the Federal Rules of Civil Procedure will more than likely be affirmed by the Circuit Court of Appeals.

Finally, the Hasans' criticism of the Court's Order summarily dismissing the Action is unwarranted. (See Hasans' Memorandum at 2.) The Hasans' demanded "expedited consideration," which the Court provided, and the Court's Order is in conformance with Rule 52(a)(3) of the Federal Rules of Civil Procedure ("[t]he Court is

not required to state findings or conclusions when ruling on a motion under Rule 12 . . . ”)

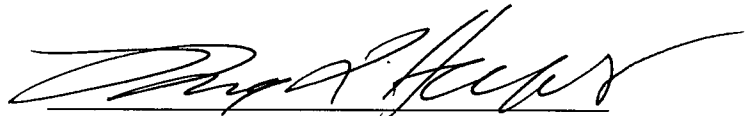
CONCLUSION

The Hasans’ motion for an injunction directed against AAA pending appeal should be denied for the reasons set forth above.

Dated: New York, New York
July 11, 2008

Respectfully submitted,

SCHNADER HARRISON SEGAL & LEWIS LLP



By: Theodore L. Hecht, Esq. (TH-5497)

TO: (VIA ECF)

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